



COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

NORTHERN REGIONAL OFFICE

13901 Crown Court, Woodbridge, Virginia 22193

(703) 583-3800

www.deq.virginia.gov

Matthew J. Strickler
Secretary of Natural Resources



David K. Paylor
Director

Thomas A. Faha
Regional Director

**STATE AIR POLLUTION CONTROL BOARD
ENFORCEMENT ACTION - ORDER BY CONSENT
ISSUED TO
ZAMMA CORPORATION
FOR
ZAMMA FACILITY
Registration No. 41014**

SECTION A: Purpose

This is a Consent Order issued under the authority of Va. Code §§ 10.1-1309 and -1316, between the State Air Pollution Control Board and Zamma Corporation regarding the Zamma Facility, for the purpose of resolving certain violations of the Virginia Air Pollution Control Law and the applicable permit and regulations.

SECTION B: Definitions

Unless the context clearly indicates otherwise, the following words and terms have the meaning assigned to them below:

1. "Board" means the State Air Pollution Control Board, a permanent citizens' board of the Commonwealth of Virginia, as described in Va. Code §§ 10.1-1184 and -1301.
2. "CFR" means the Code of Federal Regulations, as incorporated into the Regulations.
3. "Department" or "DEQ" means the Department of Environmental Quality, an agency of the Commonwealth of Virginia, as described in Va. Code § 10.1-1183.
4. "Director" means the Director of the Department of Environmental Quality, as described in Va. Code § 10.1-1185.

5. "Facility" means the Zamma Corporation facility, located at 14468 Litchfield Drive in Orange County, Virginia.
6. "FCE" means a full compliance evaluation by DEQ staff.
7. "Notice of Violation" or "NOV" means a type of Notice of Alleged Violation under Va. Code § 10.1-1309.
8. "NRO" means the Northern Regional Office of DEQ, located in Woodbridge, Virginia.
9. "Order" means this document, also known as a "Consent Order" or "Order by Consent," a type of Special Order under the Virginia Air Pollution Control Law.
10. "Permit" means a Minor New Source Review Permit to modify and operate a flooring laminate manufacturing facility, which was issued under the Virginia Air Pollution Control Law and the Regulations to Zamma Corporation on January 11, 2008.
11. "Regulations" or "Regulations for the Control and Abatement of Air Pollution" mean 9 VAC 5 chapters 10 through 80.
12. "Va. Code" means the Code of Virginia (1950), as amended.
13. "VAC" means the Virginia Administrative Code.
14. "Virginia Air Pollution Control Law" means Chapter 13 (§ 10.1-1300 *et seq.*) of Title 10.1 of the Va. Code.
15. "Zamma" means Zamma Corporation, a corporation authorized to do business in Virginia and its affiliates, partners, and subsidiaries. Zamma is a "person" within the meaning of Va. Code § 10.1-1300.

SECTION C: Findings of Fact and Conclusions of Law

1. Zamma owns and operates the Facility in Orange County, Virginia. The Facility is the subject of the Permit which allows Zamma to modify and operate a flooring laminate manufacturing facility.
2. On November 14, 2017, Department staff conducted an FCE at the Facility for compliance with the requirements of the Virginia Air Pollution Control Law, the Permit, and the Regulations. Based on the evaluation and follow-up information, Department staff made the following observations:
 - a. DEQ staff observed a Vecoplan Shredder used to grind scrap material onsite. The Shredder was in operation at the time of the FCE. This unit is not specifically included in Zamma's Permit. DEQ requested a Form 7 permit application be

submitted for this equipment via a letter dated January 26, 2014. To date, a Form 7 permit application has not been received.

- b. DEQ staff observed Baghouse #2 releasing fugitive particulate matter via compromised ductwork.
 - c. Zamma representatives were unable to provide documentation that the throughputs for medium density fiber board are being maintained from the period of January 2017 to the date of the FCE.
 - d. Zamma representatives were unable to provide documentation that the throughputs for adhesives are being maintained from the period of January 2017 to the date of the FCE.
 - e. Zamma representatives were unable to provide documentation that the throughputs for each of the resins are being maintained from the period of January 2017 to the date of the FCE.
 - f. Zamma representatives were unable to provide documentation that emissions calculations are being maintained from the period of January 2017 to the date of the FCE.
 - g. Zamma representatives were unable to provide documentation to demonstrate compliance with monthly and annual emissions calculations, monthly and annual throughput of wood, monthly and annual throughput of wood waste going into the boilers, monthly and annual throughput of each stain, UV finish and adhesive, monthly and annual throughput of each resin, and scheduled and unscheduled maintenance carried out on equipment located onsite for the period of January 2017 to the date of the FCE.
3. 9 VAC 5-50-20E states that at all times including periods of startup, shutdown, soot blowing and malfunction, owners shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with air pollution control practices for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the board, which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.
 4. Condition 12 of the Permit states that the throughput of medium density fiber board (MDF) in the wood molding manufacturing plant shall not exceed 50,000 tons per year, calculated monthly as the sum of each consecutive twelve month period. Compliance for the consecutive twelve month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding eleven months.

5. Condition 13 of the Permit states that the throughput of adhesives shall not exceed 260,000lbs/year, calculated monthly as the sum of each consecutive twelve month period. The throughput of stains shall not exceed 3,440 gal/year, calculated monthly as the sum of each consecutive twelve month period. Compliance for the consecutive twelve month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding eleven months.
6. Condition 14 of the Permit states that the throughput of each resin shall not exceed: Liquid UF Resin: 43,992 gal/yr, Liquid MF Resin: 186,992 gal/yr, and Liquid Acrylic Resin: 45,718.4 gal/yr. The throughput of resins shall be calculated monthly as the sum of each consecutive twelve month period. Compliance for the consecutive twelve month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding eleven months.
7. Condition 22 of the Permit states in relevant part that the permittee shall maintain records of emission date and operating parameters as necessary to demonstrate compliance with this permit. The content and format of such records shall be arranged with the Regional Air Compliance Manager of NRO.
8. On December 6, 2017, based on the evaluation and follow-up information, the Department issued Notice of Violation No. ANVRO8936 to Zamma for the violations described in paragraphs C(2) through C(8) above.
9. On December 12, 2017, Zamma submitted a written response to the NOV. The response noted that it is Zamma's position that the Vecoplan Shredder was included in the "Miscellaneous Wood Cutting, Milling and Sanding Equipment" section of the Permit, and that any emission for this piece of equipment is contained by a Baghouse. In addition, the response also noted that a Maintenance Request Form was submitted on December 8, 2017 for the Baghouse cited in the Notice of Violation, and corrective action was taken on December 9, 2017, and December 11, 2017 to tighten any loose piping. The response also detailed that on the date of the FCE, the employee responsible for maintaining the records was out of the country, and the records were available on Zamma's database but were not provided to DEQ staff during the FCE. These records were included with the December 12, 2017 response to the Notice of Violation.
10. Based on the results of November 14, 2017 FCE and the response to the Notice of Violation received by DEQ on December 12, 2017, the Board concludes that Zamma has violated 9 VAC 5-50-20E, and Permit Conditions 12,13,14, and 22, as described in paragraphs C(2) through C(8), above.
11. In order for Zamma to complete its return to compliance, DEQ staff and representatives of Zamma have agreed to the Schedule of Compliance, which is incorporated as Appendix A of this Order.

SECTION D: Agreement and Order

Accordingly, by virtue of the authority granted it in Va. Code §§ 10.1-1309 and -1316, the Board orders Zamma Corporation and Zamma Corporation agrees to:

1. Perform the actions described in Appendix A of this Order; and
2. Pay a civil charge of \$13,000.00 within 30 days of the effective date of the Order in settlement of the violations cited in this Order.

Payment shall be made by check, certified check, money order or cashier's check payable to the "Treasurer of Virginia," and delivered to:

Receipts Control
Department of Environmental Quality
Post Office Box 1104
Richmond, Virginia 23218

Zamma Corporation shall include its Federal Employer Identification Number (FEIN) with the civil charge payment and shall indicate that the payment is being made in accordance with the requirements of this Order for deposit into the Virginia Environmental Emergency Response Fund (VEERF). If the Department has to refer collection of moneys due under this Order to the Department of Law, Zamma Corporation shall be liable for attorneys' fees of 30% of the amount outstanding.

SECTION E: Administrative Provisions

1. The Board may modify, rewrite, or amend this Order with the consent of Zamma Corporation for good cause shown by Zamma Corporation, or on its own motion pursuant to the Administrative Process Act, Va. Code § 2.2-4000 *et seq.*, after notice and opportunity to be heard.
2. This Order addresses and resolves only those violations specifically identified in Section C of this Order. This Order shall not preclude the Board or the Director from taking any action authorized by law, including but not limited to: (1) taking any action authorized by law regarding any additional, subsequent, or subsequently discovered violations; (2) seeking subsequent remediation of the facility; or (3) taking subsequent action to enforce the Order.
3. For purposes of this Order and subsequent actions with respect to this Order only, Zamma Corporation admits the jurisdictional allegations, findings of fact, and conclusions of law contained herein.

4. Zamma Corporation consents to venue in the Circuit Court of the City of Richmond for any civil action taken to enforce the terms of this Order.
5. Zamma Corporation declares it has received fair and due process under the Administrative Process Act and the Virginia Air Pollution Control Law and it waives the right to any hearing or other administrative proceeding authorized or required by law or regulation, and to any judicial review of any issue of fact or law contained herein. Nothing herein shall be construed as a waiver of the right to any administrative proceeding for, or to judicial review of, any action taken by the Board to modify, rewrite, amend, or enforce this Order.
6. Failure by Zamma Corporation to comply with any of the terms of this Order shall constitute a violation of an order of the Board. Nothing herein shall waive the initiation of appropriate enforcement actions or the issuance of additional orders as appropriate by the Board or the Director as a result of such violations. Nothing herein shall affect appropriate enforcement actions by any other federal, state, or local regulatory authority.
7. If any provision of this Order is found to be unenforceable for any reason, the remainder of the Order shall remain in full force and effect.
8. Zamma Corporation shall be responsible for failure to comply with any of the terms and conditions of this Order unless compliance is made impossible by earthquake, flood, other acts of God, war, strike, or such other unforeseeable circumstances beyond its control and not due to a lack of good faith or diligence on its part. Zamma Corporation shall demonstrate that such circumstances were beyond its control and not due to a lack of good faith or diligence on its part. Zamma Corporation shall notify the DEQ Regional Director verbally within 24 hours and in writing within three business days when circumstances are anticipated to occur, are occurring, or have occurred that may delay compliance or cause noncompliance with any requirement of the Order. Such notice shall set forth:
 - a. the reasons for the delay or noncompliance;
 - b. the projected duration of any such delay or noncompliance;
 - c. the measures taken and to be taken to prevent or minimize such delay or noncompliance; and
 - d. the timetable by which such measures will be implemented and the date full compliance will be achieved.

Failure to so notify the Regional Director verbally within 24 hours and in writing within three business days, of learning of any condition above, which the parties intend to assert will result in the impossibility of compliance, shall constitute a waiver of any claim to inability to comply with a requirement of this Order.

9. This Order is binding on the parties hereto and any successors in interest, designees and assigns, jointly and severally.
10. This Order shall become effective upon execution by both the Director or his designee and Zamma Corporation. Nevertheless, Zamma Corporation agrees to be bound by any compliance date which precedes the effective date of this Order.
11. This Order shall continue in effect until:
 - a. The Director or his designee terminates the Order after Zamma Corporation has completed all of the requirements of the Order;
 - b. Zamma Corporation petitions the Director or his designee to terminate the Order after it has completed all of the requirements of the Order and the Director or his designee approves the termination of the Order; or
 - c. the Director or Board terminates the Order in his or its sole discretion upon 30 days' written notice to Zamma Corporation.

Termination of this Order, or any obligation imposed in this Order, shall not operate to relieve Zamma Corporation from its obligation to comply with any statute, regulation, permit condition, other order, certificate, certification, standard, or requirement otherwise applicable.

12. Any plans, reports, schedules or specifications attached hereto or submitted by Zamma Corporation and approved by the Department pursuant to this Order are incorporated into this Order. Any non-compliance with such approved documents shall be considered a violation of this Order.
13. The undersigned representative of Zamma Corporation certifies that he or she is a responsible official authorized to enter into the terms and conditions of this Order and to execute and legally bind Zamma Corporation to this document. Any documents to be submitted pursuant to this Order shall also be submitted by a responsible official of Zamma Corporation.
14. This Order constitutes the entire agreement and understanding of the parties concerning settlement of the violations identified in Section C of this Order, and there are no representations, warranties, covenants, terms or conditions agreed upon between the parties other than those expressed in this Order.
15. By its signature below, Zamma Corporation voluntarily agrees to the issuance of this Order.

And it is so ORDERED this 17th day of May, 2018.

A handwritten signature in black ink, appearing to read "Thomas A. Faha", written over a horizontal line.

Thomas A. Faha Regional Director
Department of Environmental Quality

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Zamma Corporation voluntarily agrees to the issuance of this Order.

Date: 5-15-18 By: [Signature], Executive VP
(Person) (Title)
[Zamma Corporation]

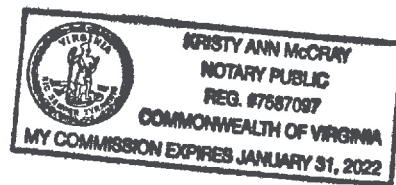
Commonwealth of Virginia
City/County of Orange

The foregoing document was signed and acknowledged before me this 15th day of May, 2018, by Robert Mason who is Executive Vice President of Zamma Corporation, on behalf of the corporation.

[Signature]
Notary Public
7587097
Registration No.

My commission expires: January 31, 2022

Notary seal:



APPENDIX A SCHEDULE OF COMPLIANCE

1. Permit Required to Construct or Operate

- a. Within 45 days of the execution of this Order, Zamma Corporation shall submit to DEQ, an Air Permit Application (Form 7), for the Vecoplan Shredder, or in the alternative sufficient documentation to support that the Vecoplan Shredder qualifies for a permit exemption.

2. Certification of Documents and Reports

In accordance with 9 VAC 5-20-230(A), in all documents or reports, including, without limitation, the SEP Completion Report, submitted to DEQ pursuant to this Consent Order, Zamma Corporation shall by its officers, sign and certify under penalty of law that the information contained in such document or report is true, accurate, and not misleading by signing the following statement:

“I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering and evaluating the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.”

3. DEQ Contact

Unless otherwise specified in this Order, Zamma Corporation shall submit all requirements of Appendix A of this Order to:

VA DEQ –NRO Regional Office
Attention: Enforcement
13901 Crown Court
Woodbridge, VA 22193